
US EXECUTIVE APPROVAL FORM**CUSTOMER NAME:** Readers Digest**PARTNER/VAD NAME:****SECTION I - Approval Requests:****Incremental requests to previous HQAPP approval: 5/30/03**

1. **HQAPP Request:** year 4 capped at 0%, year 5 capped at 4% (3 year flatline already approved) (this is a correct to an approval request sent yeaterday for year 4 and year 5 to be capped at 4%

Justification: Peoplesoft has come back aggressively at Reader's Digest to try to save their HRMS customer. They have offered 5 yrs of support caps and free consulting to move Readers from psft 7 to psft 8. CIO has comitted to the oracle project if we can give him 4 yrs of protection on support cap – he will have a total of 5 yrs including the first year of support provided for on the order doc and will be comfortable to move forward with Oracle.

2. **Joel Summers Request** – modification to previously aproved change to Person metric definition. The currently approved language for "Person" metric is: "For the purposes of this Ordering Document, Person shall be defined as the following: "Person: is defined as the Customer's employee or contractor who is actively working on behalf of the Customer's organization and continues to be paid through the system. "

Seeking approval to change the definition to add clarity to the phrase "paid through the system" – customer feels that this phrase is too vague. Suggested language: *"For the purposes of this ordering document, notwithstanding the licence definition and rules, Person shall be defined as the following: Person; is defined as the customer's employee or contractor who is actively working on behalf of the customer's organization and continues to be paid through the system (i.e., payroll processed by the Oracle HR system and/or Oracle HR system summarizes biweekly/monthly deduction and or tax information). Licences are required only for individuals that meet the definition of Person.*

Justification: Customer's attorney feels that the previously approved language is too vague around the "paid through the system" phrase and wants to add specifics so that language is more clear around what "paid through the system" means. Customer is not buying oracle payroll and will be dependent on posting bi-weekly and monthly payroll gross to net and deduction info from a 3rd party payroll services. The attorney feels that his last suggested sentence, "licenses are required only for individuals that meet the definition of Person" provides additional clarity to the defintion.

- 3 **Sales Rep approval and International notification Form required:** World Wide Use – WorldWide definition "subject to export controls" and an estimated usage per country is listed in the ordering document. All apps and technology purchased on this ordering document will be for use in the USA.

Justification: customer has executed 2 other oracle order docs in the last 3 yrs with the same language and wants to keep the language consistent with other order docs as well as keep their options open to be able to buy licenses per the price hold for potential international rollout after successful US rollout of this order doc.

The following requests have already been approved by HQAPP**HQAPP Requests:**

1. Addition of Language to address that the License Definition and Rules are associated only with the items in Section A of the Ordering Document
2. Amend the Definition of Person in the License Definitions per the approval from Joel Summers that is copied in the attached email..

v.1

HIGHLY CONFIDENTIAL

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Standard

Person: is defined as your employee or contractor who is actively working on behalf of your organization or a former employee who has one or more benefit plans managed by the system or continues to be paid through the system. For Time and Labor, a person is defined as an employee or contractor whose time or labor (piece work) or absences are managed by the system. For Project Resource Management, a person is defined as an individual who is scheduled on a project. The total number of licenses needed is to be based on the peak number of part-time and full-time people whose records are recorded in the system.

Proposed Language as approved by Joel Summers:

Person: is defined as your employee or contractor who is actively working on behalf of your organization and continues to be paid through the system

Justification: Readers Digest has no former employees with on going benefits such as Cobra.

3. Amend Ordering Document Page 3 section C1, second sentence, Customer Reference, to insert "for so long as customer continues to utilize the software" after "promotional activities". To read as follows:

In addition Customer agrees to become part of Oracle's reference program by working with a per from Oracle Marketing to develop a customer profile for use on Oracle.com and for other promotional activities for so long as customer continues to utilize the software at Oracle's discretion.

TIER 1 Requests:

1. Remove minimum purchase of \$50,000 for Price Holds – Customer is not willing to agree to any stated minimum.

Previously approved requests (5/21/03I):

1. Discount 64% (extra 4% to cover free financing)
2. Price Hold for 3 year of 60% with \$50,000 Minimum Purchase for items on Order Form
3. Support held flat for 3 years

SECTION II – Deal Summary:

Deal Summary	
Programs	Enterprise Edition, Partitioning, iAS, Developer, Discoverer, Financials, HR, Self Service HR, Advanced Benefits, HR Intelligence, Training Admin
License Discount	64 (ebiz + 39) Deal at 60%, 4 points additional to cover financing
Support Discount	64 (ebiz + 39)
Comp & Admin Discount	
Phased Implementation for Comp & Admin?	See checklist below and forward a spreadsheet to NASINFO/OGEHINFO
Subset of Users	See checklist below and forward a spreadsheet to NASINFO/OGEHINFO
Support Options/Holds	3 year flat
Price Holds	Price Hold for 3 year of 60% with \$50,000 Minimum Purchase for items on Order Form
List License	\$1,331,475
List Support	\$292,924
List Comp & Admin	
Net License	\$479,331
Net Support	\$105,452
Net Comp & Admin	

Net Total Price	\$584,783
Price List Used	March 24

Customer History - Existing Price Holds	
Existing contractual discount (price hold)	%
Date of Price List for price hold	
When does price hold expire?	
Price hold program categories (database, server, erp, crm, hr/payroll, app suite)	
Name of Agreement if applicable	

SECTION III – Justification:

Peoplesoft Replacement for HR. Readers Digest is an Oracle Financial and ERP customer with Peoplesoft HR. This was a very competitive situation and we were able to uproot Peoplesoft.

This opportunity started as a psft HR replacement and the tech team was able to upsell considerably on the Tech side. Although the apps oppty on this is relatively small, Reader's is a current psft HR customer , so the deal is also strategic to the East Apps team.

Seeking approval for 64% worst case discount - deal will be done at 60% and financed. Requires 4 additional pts to cover funding.

Recommendation: *(leave blank for HQAPP to fill out)*

Submitted By: *(fill in rep name and AVP name here)*
Field RM name if submitted by OracleDirect:

R: *(leave blank for HQAPP to fill out)*

C:

L:

A:

BP:

PLEASE NOTE THAT HQAPP WILL NOT REVIEW ANYTHING BELOW AND NOTHING BELOW WAS CONSIDERED FOR THEIR APPROVAL. ONLY DETAILS IN THE REQUEST SECTION (SECTION I) ABOVE WERE CONSIDERED IN THE APPROVAL GRANTED.

SECTION V – Ordering Document Details**Instructions - Fill in all sections completely.****APPROVAL REQUIREMENTS** - Refer to the Approval Matrix at <http://esource.oraclecorp.com>**PRICING REQUIREMENTS** – Refer to Price List and Price List Supplement for minimums and prerequisites.**PRICING SPREADSHEET** – Include a pricing spreadsheet showing all products, quantities, license types, pricing, and discounts. Indicate if discount for drafting contract differs from approved discount.**MIGRATIONS** - If your deal contains a migration, you must submit a Migration Worksheet to the ELM (eBusiness License Migrations) team. Refer to <http://nafo.us.oracle.com> under the Contract Management tab and e-Business License Migrations header to download the spreadsheet and for additional information.**Note: All business approvals & quotes are valid through the quarter they were approved, unless a formal RFP or Tender requires a longer validity period.**

General Information	
Contract requested by (insert date): After all approvals are obtained - Allow 24 hours for standard contracts and 48 hours for non-standard contracts.	May 20, 2003
Opportunity I.D. (OSO Number):	101962477
Is this a ship order?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Deal Structure (indicate Direct, Pass-Through, Sublicense, or Trial License):	Direct
Is this deal the result of a compliance issue that LMS has been involved in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does deal contain new licenses with an <i>approved</i> non-supported license type (i.e. metric is not nor ever has been on Oracle's price list):	<input type="checkbox"/> Yes (specify non-supported license type and eBusiness license type used to determine conversion) <input checked="" type="checkbox"/> No
Quote Valid Through (insert date):	
Partner (insert name, if applicable)?	Margin or % of net license fees _____
VAD (insert name, if applicable)?	Margin or % of net license fees _____
PARTNER PAYMENT: If this is a direct deal, does it involve a Partner Referral Fee?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If yes, specify payment type:	<input type="checkbox"/> Applications Affiliate Fee <input type="checkbox"/> ROP Fee (GB Use Only)
MIGRATIONS OR UPDATES:	<input type="checkbox"/> Yes <input type="checkbox"/> No
PREMIUM SERVICES:	<input type="checkbox"/> Yes <input type="checkbox"/> No
INCIDENT PACKS:	<input type="checkbox"/> Yes <input type="checkbox"/> No
INTERNATIONAL: Requires an International Notification Form to be forwarded to your manager, contract specialist, and NASINFO or OGEHINFO.	<input type="checkbox"/> Yes <input type="checkbox"/> No
Payment Terms:	<input checked="" type="checkbox"/> Net 30 <input type="checkbox"/> Other (Specify) _____
Referenced Agreement:	<input type="checkbox"/> New OLSA <input checked="" type="checkbox"/> Other (Specify) SLSA 235610-19-DEC-95

Customer and Administrative Information – all fields must be filled in	
Customer's EXACT Legal Name:	Readers Digest Association, Inc
Business Address:	Readers Digest Road
City / State / Zip:	Pleasantville, NY 10570
Customer Contract Admin:	Nick Sementilli
Phone #:	914-244-5415
Fax #:	914-244-7466
E-mail ID:	nick_sementilli@rd.com
Billing Contact:	Same
(Partner/VAD if Indirect):	
Address:	
City / State / Zip:	
Phone #:	
Fax #:	
E-mail ID:	
Tax Status :	Exempt ____ (Need certificate for ship to state if not on Oracle's Tax Exemption Log)
	Non-Exempt ____
Shipping Contact:	Same
Address:	
City / State / Zip:	
Phone #:	
Fax #:	
E-mail ID:	
Technical Support Contact:	Same
Address:	
City / State / Zip:	
Phone #:	
Fax #:	
Email ID:	
Partner Name (Indirect):	
Address:	
City / State / Zip:	
Contact Admin:	
Phone #:	
Fax #:	
E-mail ID:	

Education (EPPC)	
Education Prepaid Credit Amount:	\$ _____
Education Discount:	_____ %
Education Revenue:	\$ _____
Education Sales Rep:	

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PROCESSOR/NAMED USER PROGRAMS/COMPUTER PROGRAMS (REQUIRED INFORMATION)

Make and Operating System required for each program:

Make: Sun

OS:

PROGRAMS:

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Applications	
Will applications be modified:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Will users be accessing modified Apps from the web:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Have all prerequisites been included:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Will users use Fast Forward RPM:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Will applications be hosted:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Indicate database that Apps will run on:	Oracle
Indicate CSI for existing prerequisite database and tools:	

Options not requiring HQAPP, Tier 1, or Tier 2 Approval	
(1)	
(2)	
(3)	
(4)	

Internal Administrative Information	
Applications Sales Manager	Lee Jacobs
Technology Sales Manager	Lisa Arbercheski
Account Manager	
OracleDirect Rep	Arthur Capozzi
Education Sales Rep	
Support Renewals Rep	
Premium Support Rep	
Migrations Manager	
Is there a teaming agreement?	<input type="checkbox"/> Yes (if yes, list all appropriate reps) <input checked="" type="checkbox"/> No
Requester:	Name: <u>Lee Jacobs</u> Business Telephone: <u>585-218-2519</u> Cell Phone: <u>585-455-7162</u>